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At PFI Precision Machining, manufacturing close-tolerance stainless steel components is one of our core strengths. Through our years of continued focus on process improvements and lean manufacturing techniques, we have developed an exceptional understanding of all of the factors that influence the quality, productivity, and consistency of machining stainless steel in all of its various grades and tempers.



# STOCKING PROGRAMS USING LEAN MANUFACTURING

In addition to our precision manufacturing capabilities, at PFI Precision Machining we are proud to offer a full menu of stocking programs using lean manufacturing. Customers can streamline their operations and save capital by taking advantage of our warehousing capabilities and logistics management services.

### PRIOR TO LEAN MANUFACTURING

A Fortune 500 company wanted to free-up cash by reducing their parts inventory. They had a full-time person storing and retrieving (and sometimes looking for misplaced) inventory, and a full-time inspector performing receiving inspection, along with sorting and returning parts that did not pass inspection.

#### PFI'S JUST-IN-TIME STOCKING PROGRAM SOLUTION

PFI was awarded the contract by competitive bid, to supply their machined parts needs under PFI's Just-in-Time Stocking Program. Now every Wednesday, the shop floor assembly person visually looks at a "Point of Use" inventory rack and checks a box on the Kanban Order Form when the Kanban reorder point has been reached. Next the assembly person faxes the Kanban sheet to PFI. On Friday afternoon, all of the parts arrive at this customer's plant for the next week's build. On Monday morning, the customer begins the build process and by the end the week all stock is used up and the cycle repeats. PFI even color codes the boxes of the shipment and puts the assembly stock location on the box label to make it easy for the assembly operator.

Our professional inventory solutions include computerized inventory management, incorporating quarterly auditing for assured integrity, and precision-calibrated scales for part count accuracy. We provide order management, handling distribution and fulfillment with containerized worldwide shipping capabilities through any courier. Enhanced shipping options include barcoding, packaging, labeling, and pick and pack service. We include stock locations on packing slips, and supply necessary certification documentation.

#### LEAN MANUFACTURING RESULTS

This customer was able to free up over \$50,000 in cash and reduced their shop indirect costs by \$40,000 annually (2 FTEs including benefits) by using a Kanban reordering system and PFI's Just-in-time Certified Stocking Program. Furthermore, because of our proven record of high quality and reliability of delivery, the parts can skip receiving inspection and be taken directly from the dock to the assembly station.

To achieve optimized efficiency, reduced waste, and time savings, our lean manufacturing tools include Kanban and Just-in-Time strategies. We offer EDI capability and accommodate other methods of shipment release. With finished product holdings of \$200K and 90 unique customers in the program, PFI Machining is committed to easing your supply chain worries. Support is provided by phone, fax, and email. A variety of methods for delivery are utilized including air, trucking, ships, and railroads and have 99% on-time delivery. Fully-customized supply chain solutions are available, designed with each client according to their specific needs. For more information about our cost effective lean manufacturing and stocking services, please see the table below or contact us directly.

General Capabilities	Warehousing
	Just-In-Time
Warehousing Services	Computerized Inventory Management <ul> <li>Quarterly auditing to assure accuracy and integrity</li> </ul>
	<ul> <li>Quarterly additing to assure accuracy and integrity</li> <li>Part count accuracy assured by precision</li> </ul>
	calibration
	Logistics Management
	Order Management
	Storage
Shipping	Any Courier
	Containerized Shipping
	Ship Worldwide
	Expedited Shipments Available
Service Features	EDI Capability
	Fax
	Email
	Phone Support
Additional Services Provided	Barcoding
	Kitting
	Labeling
	Packaging Pick and Pack
	Certification Documents
	Stock Location on Packing Slips
Transportation	Air
	Railroad
	Ship
	Truck
Volume	90 Customers on Stocking Program
Average Holdings	\$200,000

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